

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Apple Valley Ranchos Water Company (U 346 W) for Authority to Increase Rates Charged for Water Service by \$2,748,100 or 18.56% in 2006, \$496,580 or 2.69% in 2007, and \$1,075,879 or 5.46% in 2008.

Application 05-02-005  
(Filed February 1, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING  
DENYING MOTION TO STRIKE ADDITIONAL TESTIMONY**

**1. Background**

On February 1, 2005, Apple Valley Ranchos Water Company (Apple Valley or applicant) filed Application 05-02-005, a general rate case, pursuant to Decision (D.) 04-06-018 that adopted a rate case plan for Class A water companies such as Apple Valley.

On March 22, 2005, a prehearing conference was held to determine parties, identify issues, consider the schedule, and address other matters as necessary to proceed with this application. On March 29, 2005, the Assigned Commissioner and Administrative Law Judge (ALJ) issued the scoping memo and adopted a schedule for this proceeding. On April 7, 2005, the ALJ issued a Ruling requiring Apple Valley to serve additional and supplemental testimony on low-income programs and cost of capital.

Apple Valley served testimony in response to the ALJ's Ruling on April 29, 2005. In addition, Apple Valley also served further late testimony on its need for backup generators included in rate base. On May 10, 2005, the Office of

Ratepayer Advocates (ORA) filed a Motion to Strike the portion of the testimony concerning backup generators. Apple Valley filed a response on May 11, 2005. The motion is denied. ORA is allowed an extension to June 1, 2005, to file testimony solely addressing Apple Valley's April 29, 2005 backup generator testimony.

## **2. Notice of Issue**

Apple Valley and ORA received notice of the Commission's intention to examine the inclusion of backup generators in rate base in D.03-08-069,<sup>1</sup> dated August 21, 2003. Apple Valley has not sought leave to modify its application to add a new or increased rate request for backup generators. This ruling does not grant leave to increase or modify the rate request. This is not a surprise new issue or request. It is in the public interest to ensure an adequate record and therefore consider this late testimony. It is also in the public interest to allow ORA additional time to review any new information that may be included in the April 29, 2005 backup generator testimony. Therefore ORA may serve further testimony and supporting exhibits addressing the additional materials on backup generators on or before June 1, 2005.

### **IT IS RULED that:**

1. The Office of Ratepayer Advocates (ORA) may serve prepared testimony and supporting exhibits addressing Apple Valley Ranchos Water Company's April 29, 2005 testimony on backup generators no later than June 1, 2005. This

---

<sup>1</sup> D.03-08-069, p. 25, and Ordering Paragraph 3: "AVR shall provide information in its next general rate case (GRC) to support the inclusion of backup generators in rate base. That additional information shall include, but not be limited to, the identity of each generator by horsepower, facility intended to backup, year purchased, rate base amount, actual time placed in service as a backup facility, and actual amount of time tested by year since acquired."

testimony must be served in conformance with the recently modified Rule 2.3 *Service*, and the new Rule 2.3.1 *Service by Electronic Mail* of the Commission's Rules of Practice and Procedure.

2. ORA shall also serve two (2) paper copies on the assigned Administrative Law Judge and one (1) paper copy on the Commission's Water Division.

Dated May 12, 2005, at San Francisco, California.

/s/ DOUGLAS M. LONG

Douglas M. Long  
Administrative Law Judge

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Denying Motion to Strike Additional Testimony on all parties of record in this proceeding or their attorneys of record.

Dated May 12, 2005, at San Francisco, California.

/s/ KE HUANG

Ke Huang

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.